

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item I: Compliance with Applicable State and Local Laws.

Explain how the proposed facility is in compliance with applicable state and local laws regarding fire, health, construction, zoning, and other similar matters.

Applicant Response to Item 1

As of the date of this application, Cedar Rapids Development Group, LLC ("CRDG") has selected RYAN Companies US, Inc. and OPN Architects as the design build team. This team of duly licensed and qualified professionals will be responsible for oversight and implementation of all code requirements for the project. The contracts with such professionals will require them to design and construct in full compliance with all state and local fire, health, construction and life safety ordinances applicable to the project. This project's site falls under the local jurisdiction of the City of Cedar Rapids. The current local codes applicable to this project are identified below.

City of Cedar Rapids Building & Trades Codes

Per City of Cedar Rapids Building Department Website (Dated August 6, 2013)

Building Code:

2012 International Building Code
(including local amendments)

Plumbing Code:

2012 Uniform Plumbing Code
(including local amendments)

Mechanical Code:

2012 International Mechanical Code
(including local amendments)

Electrical Code:

2012 National Electrical Code
(including local amendments)

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APPLICATION TO ESTABLISH A GAMING STRUCTURE
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SECTION 1: Criteria

Item II, Section a:

Explain how the applicant will ensure that gaming is conducted with a high degree of integrity.

Applicant Response to Item II, Section a:

If approved for the privilege to hold a casino gaming license, CRDG will observe and enforce the Iowa Code and the rules and regulations of the Iowa Racing and Gaming Commission. CRDG will conduct its operation to the highest possible standard of integrity and will protect public health, safety, and welfare of the State in the following manner:

- CRDG will promote responsible gaming practices and make responsible gaming treatment and education resources available to customers and team members pursuant to Iowa Code Section 99D.7 (22).
- Security team members will be trained and provided with resources necessary to conduct their work in accordance with the Safety Manual, Team Member Handbook and Emergency Plan.
- Surveillance will conduct continuous surveillance and digitally record all gambling activities in accordance with Iowa Administrative Rules 661, Chapter 141 from the Iowa Department of Public Safety. The Surveillance Department will operate autonomously and apart from other departments.
- Team members will be trained to identify cheating and will protect CRDG and the State from losses due to cheating.
- CRDG will submit comprehensive Internal Controls no less than 90 days prior to the commencement of gaming operations. Internal Control Procedures will include accounting standards to safeguard assets and ensure the reliability of financial records, and detailed policy which instructs team members across departments for the secure handling of cash and cash equivalent and rules for protecting gaming equipment.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
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SECTION 1: Criteria

Item II, Section b:

Explain how the applicant and officers, directors, partners, or shareholders of the applicant are of good repute and moral character. The Commission shall decide what weight and effect evidence about an officer, director, partner, or shareholder should have in the determination of whether there is substantial evidence that the individual is not of good reputation and character.

Applicant Response to Item II, Section b:

The Cedar Rapids Development Group, LLC consists of seven board members and many more local investors – all committed to building and operating a casino development of which Linn County residents will be proud. This leadership group has strong ties to organizations that help improve the quality of life throughout the region.

Mr. Barry Boyer is a respected business man from Cedar Rapids. He served as a past board Chair of the Cedar Rapids Metro Economic Alliance – an organization he helped establish. He also serves as a board member of Ascent, an organization promoting women-owned business. In addition, he was the 2010 Priority One Chair and United Way Campaign Co-Chair.

Mr. Stephen C. Gray is the Founder of Gray Venture Partners, LLC. He serves as the Chairman of ImOn Communications, LLC, SecurityCoverage, Inc., Involta, LLC and HH Ventures, LLC (d/b/a, ReadyWireless) and the Cedar Rapids Development Group, LLC. Additionally, he serves on the Board of Directors for the Cedar Rapids Metro Economic Alliance and represents the Cedar Rapids Development Group, LLC as a member of the Cedar Rapids Area Convention and Visitors Bureau.

Mr. John Smith has held numerous roles, including, Chairman – Cornell College Board of Trustees, Board of Trustees – Mercy Medical Center, Cedar Rapids, Iowa, Board of Directors – U.S. Bank, Cedar Rapids, Iowa, Chairman—Economic Planning and Redevelopment Corporation, Investor – Block by Block Flood Recovery Program, Past Chairman - Cedar Rapids Area Chamber of Commerce, Past President – Cedar Rapids Symphony, Past President – Cedar Rapids Symphony Foundation, Past Chairman – Young Presidents' Organization – Iowa Chapter, Past Chairman – Greater Cedar Rapids Community Foundation, Past Chairman – Red Cedar Chamber Music and Past Chairman – Priority One.

Mr. Drew Skogman has served on many boards including YMCA, Big Brothers Big Sisters, Junior Achievement, and Marion Economic Development. He is currently on the executive committee for the St Luke's Methodist Hospital, Neighborhood Development Corporation and Kingston Village neighborhood group.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE SUBMITTED AUGUST 30, 2013 BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Under the leadership of Brent Stevens, Natalie Schramm and Jonathan Swain, Peninsula Gaming, LLC operated as a casino entertainment holding company with five gaming operations in three states. The company engaged in the ownership, development and operation of casinos including the Diamond Jo Casino in Dubuque.

The company was founded in 1999 and as a result of their financial discipline, in just over a decade, Peninsula Gaming, LLC became the fastest growing privately held casino company in America. Peninsula's casino operations were built on the values of quality, service and community engagement. On November 20, 2012, Peninsula Gaming, LLC was sold to Boyd Gaming Corporation for \$1.45 billion dollars. Today, as owners of JNB Gaming, LLC, Jonathan, Natalie and Brent are known for their integrity, ability to complete developments ahead of schedule and their work in the highly regulated gaming industry.

Mr. Jonathan Swain was Chief Operating Officer of Peninsula Gaming LLC from July 2004 until November 2013. During his time with Peninsula Gaming, Jonathan developed and completed construction on three casinos in three states. He was responsible for casino operations, marketing, establishing standards of service and brand continuity. Jonathan has been in the gaming industry for more than 25 years. Jonathan lives in Bellevue, Iowa with his family.

Ms. Natalie A. Schramm was Chief Financial Officer and Principal Accounting Officer of Peninsula Gaming, LLC from July 1999 until November 2013. She has helped finance and build Peninsula Gaming casinos in three states. She was responsible for the financial operations of the company, including the operational finance teams, internal audit, corporate accounting and SEC reporting. Natalie resides in Dubuque with her family. She is a graduate of the University of Iowa with a degree in Accounting and is a Certified Public Accountant.

Mr. Brent Stevens was the CEO of Peninsula Gaming, LLC from July 1999 until November 2013. Brent served as the Executive Vice President of the Capital Markets Department of Jefferies & Company, Inc. While he advised casino clients, he recognized the opportunity for growth in regional gaming. In 1999 he entered the gaming industry with a \$77 million purchase of Diamond Jo Riverboat Casino in Dubuque and Peninsula Gaming, LLC was born.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE SUBMITTED AUGUST 30, 2013 BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item III, Section a:

Project the annual amount of revenue that will be provided by the proposed facility to the state and local communities through direct taxation on its operation and indirect revenues from tourism, ancillary businesses, creation of new industry, and taxes on employees and patrons.

Applicant Response to Item III, Section a:

The Cedar Rapids Development Group, LLC casino project (the “Cedar Crossing Casino”) is expected to produce a significant amount of gaming and non-gaming revenue based on the development and its location in an underserved market. Based on the projections made in TMG’s Casino Gaming Market Assessment (see Exhibit 1.3 a), the chart below summarizes the impact of direct taxation from the casino and also shows that local governments can expect an increase due to household earnings increases as a result of the casino development.

Total Tax Impact of Cedar Rapids Casino, First Full Year of Operation

Category	Tax/Fee	Tax Revenue
<u>State</u>		
<i>Directly from Facility Operations</i>		
	Gaming Tax	\$16,547,774
	Gaming Fees	\$5,039,882
	Sales and Use Tax	\$597,976
<i>From Increase in IA Household Earnings</i>		
	Sales and Use Tax	\$312,049
	State Taxes and Fees	\$769,673
Total to State		\$23,267,355
<u>Linn County</u>		
<i>Directly from Facility Operations</i>		
	Gaming Tax	\$977,823
<u>City of Cedar Rapids</u>		
<i>Directly from Facility Operations</i>		
	Gaming Tax	\$376,086
	AGR Payment to City of Cedar Rapids	\$752,172
Total to City of Cedar Rapids		\$1,128,257
<u>Linn County and other Local Governments</u>		
<i>From Increase in IA Household Earnings</i>		
		\$23,968
Total to Local Government		\$2,130,049
Total CRDG Impact		\$25,397,404

Source: TMG Consulting

Five-year gaming, tax, fees and other non-profit revenue impact of a Cedar Rapids casino will amount to nearly \$100 million.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

**Five-Year Gaming Tax, Fees, and
Other Non-Profit Revenue
Impact of Cedar Rapids Casino**

Description	Five-Year Impact
Gaming Tax Revenues and other Non-Profit Revenues*	\$72,504,738
Initial License Fee for Cedar Rapids Casino	\$20,000,000
Recurring Gaming Fees (Cedar Rapids Casino)	\$5,199,411
Total 5-Year Impact	\$97,704,149

Source: Iowa Racing & Gaming Commission; Cedar Rapids Development Group, LLC; TMG Consulting Analysis

Note: Based on projected 2.3% annual growth in gross gaming revenue.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item III, Section b:

Project the level of financial and other support the proposed operation will provide to the community in order to improve the quality of life of the residents of the community.

Applicant Response to Item III, Section b:

The factors that drive the economic impact estimate for casino operations are the income earned by people that work for the casino and the expenditures the casino makes with its suppliers. The IMPLAN model provides one year estimates for these impacts, which are presented in Table 16 of Strategic Economics Group's January 2013 study. The IMPLAN model is a static model and as such it does not project the growth of impacts into the future. Also, the model likely underestimates the impact of the casino on the local economy because it does not capture the direct expenditures made by casino patrons at other businesses nor does it capture the extent to which the existence of the casino may stimulate other business development as part of an entertainment and retail complex.

In addition to the gross gaming revenue share to State and local government agencies (approximately \$100 million in its first 5 years of operation), Cedar Crossing Casino project will provide an average of about \$75 million of additional direct and indirect economic impact each year beginning one year prior to operations- during its construction phase. Construction of the Cedar Crossing Casino will produce an economic impact of an estimated \$72,094,363 plus produce an additional \$78,581,636 positive economic impact during its first year of operation *

*The Strategic Economics Group, January 2013 study is attached as Exhibit 1.3b.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Table 16: Casino Operation Impact Estimates

Sectors	Job Impacts			Total Impact
	Direct Impact	Business-Related Impact	Consumer-Related Impact	
Ag & Mining	0	0	0	0
Manufacturing	0	2	0	3
TIPU	0	9	2	11
Trade	0	4	25	29
Service	361	123	70	553
Other	0	10	2	12
Total	361	147	100	608

Sectors	Labor Income Impacts (\$)			Total Impact
	Direct Impact	Business-Related Impact	Consumer-Related Impact	
Ag & Mining	0	2,883	4,303	7,186
Manufacturing	0	139,121	25,618	164,739
TIPU	0	584,890	127,023	711,914
Trade	0	201,611	796,244	997,855
Service	10,285,086	4,858,421	2,539,264	17,682,771
Other	0	759,641	142,333	901,974
Total	10,285,086	6,546,567	3,634,785	20,466,438

Sectors	Economic Output Impacts (\$)			Total Impact
	Direct Impact	Business-Related Impact	Consumer-Related Impact	
Ag & Mining	0	11,474	11,180	22,654
Manufacturing	0	599,068	202,878	801,946
TIPU	0	2,160,874	458,183	2,619,057
Trade	0	435,675	1,527,565	1,963,240
Service	48,000,000	15,173,498	8,363,682	71,537,179
Other	0	1,255,911	381,649	1,637,560
Total	48,000,000	19,636,499	10,945,137	78,581,636

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Table 15: Casino Construction Impact Estimates

Sectors	Job Impacts			Total Impact
	Direct Impact	Business-Related Impact	Consumer-Related Impact	
Ag & Mining	0	0	0	0
Construction	174	2	0	176
Manufacturing	0	1	0	2
TIPU	0	7	2	9
Trade	0	22	21	42
Service	28	73	50	152
Other	0	1	1	2
Total	202	106	74	382

Sectors	Labor Income Impacts (\$)			Total Impact
	Direct Impact	Business-Related Impact	Consumer-Related Impact	
Ag & Mining	0	1,865	3,537	5,402
Construction	8,921,248	86,937	16,165	9,024,350
Manufacturing	0	76,185	20,335	96,520
TIPU	0	456,954	89,639	546,593
Trade	0	818,604	645,578	1,464,182
Service	257,781	3,482,281	1,938,511	5,678,573
Other	0	95,803	69,981	165,784
Total	9,179,029	5,018,629	2,783,745	16,981,404

Sectors	Economic Output Impacts (\$)			Total Impact
	Direct Impact	Business-Related Impact	Consumer-Related Impact	
Ag & Mining	0	5,758	9,177	14,935
Construction	36,750,000	375,249	55,549	37,180,797
Manufacturing	0	324,309	164,768	489,077
TIPU	0	1,585,748	314,514	1,900,262
Trade	0	1,618,586	1,239,003	2,857,589
Service	12,250,000	10,616,132	6,351,669	29,217,802
Other	0	246,597	187,304	433,902
Total	49,000,000	14,772,379	8,321,984	72,094,363

IOWA RACING AND GAMING COMMISSION
APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item III, Section c:

Explain how the proposed operation is economically viable and properly financed.

Applicant Response to Item III, Section c:

Based on our assessment, Cedar Rapids is currently the most underserved gaming market in the State of Iowa. TMG Consulting indicates that if a casino were approved for Cedar Rapids, the Metropolitan Statistical Area would remain one of the most underserved markets in the state.

CRDG engaged TMG Consulting to provide a gaming market assessment and financial statements for the development. See Exhibit 1.3a.

Financing commitments have been obtained from Credit Suisse (USA) LLC and Bankers Trust. See Section 4 for financing details and commitment letters.

Item III, Section d:

Explain how the proposed operation is beneficial to Iowa tourism.

Applicant Response to Item III, Section d:

The Cedar Crossing Casino will be one card in the deck of all that Linn County has to offer visitors and especially convention groups. Currently, the Cedar Rapids Area Convention and Visitors Bureau ("CRACVB") reports that the most frequent response from groups who opt to travel elsewhere note the lack of attractions downtown for nightlife.

The proposed development is part of what is needed and what is being embraced by the neighborhood, local attractions, the City and Linn County residents. The casino would prove to be an anchor attraction and the catalyst that would reshape downtown Cedar Rapids and accelerate additional reinvestment there. By providing quality entertainment downtown, 365 days a year within minutes of 3,000 hotel rooms and within walking distance to the new US Cellular Center, the State's second largest city would be well poised in Regional and National Convention competitive bids. Please see CRACVB's partnership with Cedar Crossing Casino set forth as Exhibit 1.3d.

CRDG would provide training and collateral to Welcome Center staff and participate in traveliowa.com, regional tourism cooperative ad buys and Iowa's Tourism Showcase as part of their effort to promote traveling to Cedar Rapids.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item III, Section e:

Explain how the proposed operation will create and promote quality employment opportunities for Iowans.

Applicant Response to Item III, Section e:

The Cedar Crossing Casino is forecast to create 343 direct jobs on site and approximately 127 additional indirect jobs in Iowa. All of the jobs created at the Cedar Crossing Casino will pay a living wage salary and offer a comprehensive benefit package. Team members will work in an upbeat and fun environment where their commitment to customer service is valued. The total annual income generated by all direct and indirect jobs as a result of the Cedar Crossing Casino development is projected to be \$34.3 million in the casino's first year of operation.

Also, 125 short-term construction jobs can be anticipated during the construction phase of the Cedar Crossing Casino. Priority will be given to local contractors.

Item III, Section f:

Explain how the proposed operation will promote the development and sale of Iowa products.

Applicant Response to Item III, Section f:

CRDG will establish a "Buy Iowa First" program to work with local companies in Cedar Rapids, Linn County and the State of Iowa to source products and services. The Cedar Crossing Casino's gift shop will feature local and regional products.

The Manager, JNB Gaming, is highly experienced in sourcing Iowa goods and services first. In fact, the two Iowa properties JNB Gaming ran previously (Diamond Jo Dubuque and Diamond Jo Worth) proudly purchased approximately 97% of their goods and services from Iowa excluding specialized sourced goods.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item III, Section g:

Explain the amount and type of other development and amenities associated with proposed operation.

Applicant Response to Item III, Section g:



Pickle Works is a 24 hour deli which offers deli-style sandwiches and salads. The name is a tribute to the historic Cedar Rapids Pickle Works Factory.



The Kingston Market Buffet will feature live action cooking and fresh, locally grown produce and ingredients, and will seat approximately 220 guests.



The Rock Bar is a full service bar and meeting spot for gaming and socializing and is conveniently located in the middle of the casino.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria



Sinclair's Steakhouse Lounge, the premier steakhouse, features prime steaks and seafood. It is a tribute to Thomas Sinclair who owned and operated one of the largest meatpacking plants in the United States in Cedar Rapids.



City Lights Event Center is a 400 seat event center which will feature local and national entertainment acts and events.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item III, Section h:

Project the percentage and amount of adjusted gross revenue from out-of-state markets and the stability and reliability of those markets.

Applicant Response to Item III, Section h:

TMG Consulting, in their gravity model analyses, forecasts that approximately 11% of the Cedar Rapids casino's revenues should be attributable to out-of-state gamers. It should be noted that this project has deliberately been located in an urban environment to help attract more regional and national convention business to downtown Cedar Rapids, Iowa's second largest city. As such, this location presents the least amount of impact on other gaming facilities in the State.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item IV, Section a:

Explain how the proposed facility is planned in a manner that promotes efficient and safe operation of all aspects of the facility.

Applicant Response to Item IV, Section a:

CRDG will work diligently to ensure that this facility is efficient, safe, and enjoyable for every guest. The design and construction teams of duly licensed and qualified professionals will be responsible for oversight and implementation of all code requirements for the project. This team will comply with all applicable local fire, health, construction, and safety ordinances.

The project team will focus on the following elements:

- The layout of the building and surrounding property will be designed in a manner that will ensure a secured operation with controlled ingress and egress of both guests and employees as well as 24/7 surveillance of the entire property.
- All pedestrian circulation pathways are generous in scale to create convenience for the guests and allow for future growth.
- All vehicular circulation on and around the site will be evaluated to minimize any crossover traffic patterns for safe flow between cars and pedestrians.
- Distances from the building to all parking stalls are being evaluated to ensure safe travel for guests to and from their vehicles.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item IV, Section b:

Explain how the proposed facility, including, but not limited to, parking facilities, concessions, gaming floor, access to cashier windows, and restrooms, is planned in a manner that promotes efficient, safe, and enjoyable use by patrons.

Applicant Response to Item IV, Section b:

CRDG will work diligently to ensure that this facility is efficient, safe, and enjoyable for every guest. The layout of the building and surrounding property will be designed in a manner that will ensure a secured operation with controlled ingress and egress of both guests and employees. The facility will have 24/7 security and appropriate digitally recorded surveillance throughout the property.

Parking Facilities:

The facility will feature ample parking comprised of a large surface parking lot partially covered by the facility, a multi-tier parking deck across the street with skywalk connection to the second level of the building, valet parking, and easily accessible handicap spaces. All of these choices will allow guests to select their desired option for locating their vehicle. Each of the nearly 1,200 parking spaces will have convenient access to a primary entrance for patrons and staff. The parking lots will be well-lit and monitored by surveillance and security forces alike to ensure a safe and pleasurable environment at all times.

Concession Areas:

Upon entry to the facility, guests will encounter a welcoming three-story environment with substantial lighting and highly visible way-finding signs, enabling guests to safely and efficiently traverse the facility to find their desired attraction. Each of the two restaurants, buffet, center bar, gift shop, and outdoor patios will be maintained and secured. During periods of peak demand, highly efficient queuing and increased security staffing will be utilized to assist with safe and effective flow of all guests and employees, ensuring enjoyment by all.

Casino Gaming Floor Area (including cashier cage):

The gaming floor will provide ample space for all individuals to partake in their favorite games and move about freely amongst the variety of non-gaming venues that surround. Cashier windows and promotions desks will each have generous space allotments and be centrally located.

Restrooms:

Multiple ADA-equipped restrooms featuring the latest environmentally-friendly equipment will be distributed throughout the facility, ensuring ease of access and offering the highest level of cleanliness to all patrons. Design features that follow the principals of Universal design will make the entire facility welcoming and usable to all individuals.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 1: Criteria

Item V:

Demonstrate support within the community in which the proposed facility is to be located.

Applicant Response to Item V:

The Cedar Crossing Casino found broad-based community support when volunteers from the “Vote Yes, Linn County” group began knocking on doors in December 2012. As a result, in approximately seven weeks more than 16,000 supporters signed the petition to place the Casino Referendum on the ballot during a special election on March 5, 2013. The Linn County Gaming Referendum had heavy voter turnout (39%) and won with 61.23% of the voters (60,491 voters) supporting casino gaming in Linn County.

As set forth in Exhibit 1.5, you’ll find overwhelming community support for the project including letters from residents, businesses and attractions as well as a certified copy of the Abstract of Votes from the March 5, 2013 Gambling Special Election.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 2: Ownership

NOTE: All of the information below shall be repeated for the qualified sponsoring organization for the areas that are applicable.

Item I:

State the name of the applicant and indicate whether it is an individual, firm, association, partnership or corporation. List trade names used by the applicant.

Applicant Response to Item I:

Applicant to Operate the Gambling Structure: Cedar Rapids Development Group, LLC

Qualified Sponsoring Organization: Linn County Gaming Association, Inc.

Item II:

State the following information for the applicant. If the applicant has a parent corporation, the same information must be submitted both for the parent and applicant corporation:

Item II, Subsection (A):

State the year in which the applicant was organized, the form of organization and the state laws under which it was organized. Attach a certified copy of the articles of incorporation, amendments and by-laws as an exhibit. Future changes to these documents shall be filed with the Commission. Annual reports must also be submitted to the Commission.

Applicant Response to Item II, Subsection (A):

Cedar Rapids Development Group, LLC (hereafter, "CRDG") was organized as a domestic limited liability company under chapter 489 of the Iowa Code on June 18, 2012. A certified copy of the Certificate of Organization is attached hereto as Exhibit 2.2(A)1. CRDG's Amended and Restated Operating Agreement is attached hereto as Exhibit 2.2(A)2. CRDG's most recent biennial report, dated February 12, 2013, is attached hereto as Exhibit 2.2(A)3.

Linn County Gaming Association, Inc. (hereafter, "LCGA") was organized as a domestic nonprofit corporation under chapter 504 of the Iowa Code on May 1, 2012. LCGA was originally incorporated under the name "Cedar Rapids Development Authority, Inc." Articles of Incorporation are attached hereto as Exhibit 2.2(A)4. LCGA amended its Articles of Incorporation on September 28, 2012 to change

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 2: Ownership

its name; the amended Articles of Incorporation are attached hereto as Exhibit 2.2(A)5. A copy of LCGA's Bylaws is attached hereto as Exhibit 2.2(A)6. LCGA's most recent biennial report, dated March 25, 2013, is attached hereto as Exhibit 2.2(A)7.

Item II, Subsection (B):

State the classes of capital stock authorized, the amount authorized, and the amount outstanding as of no more than fifteen days prior to the date of filing of the application. State the amount of dividends paid to stockholders during the five years immediately preceding the application.

Applicant Response to Item II, Subsection (B):

As of the submission date, CRDG has two classes of authorized units: Class A Preferred Units, and Class B Preferred Units. CRDG's Amended and Restated Operating Agreement has authorized the issuance of an unlimited number of units, and currently has 2,150,000 units outstanding. The total outstanding units are comprised of 400,000 Class A Preferred Units, and 1,750,000 Class B Preferred Units. No dividends have been paid to stockholders during the five years immediately preceding the application.

Item II, Subsection (C):

State the name and address of each person or entity who owns, of record or beneficially, one or more shares of any class of capital stock or an option or conditional interest in applicant. This can be indicated in columnar forms providing for name and address, class of stock owned, type of ownership whether of record or beneficial, amount owned, and percent of the class of stock.

Applicant Response to Item II, Subsection (C):

CRDG has 63 Members, each of whom owns one or more Units. The promoters, Stephen C. Gray and Drew Skogman, each indirectly own 4.6512% of CRDG's outstanding equity through entities under their control. Only one member, PPCR, LLC owns more than 5% of CRDG's outstanding equity. As of the submission date, PPCR, LLC owns 25.5814% of the outstanding Units of CRDG. Detailed ownership information has been provided to DCI. As of the submission date, CRDG has received 173 written Indications of Interest from Members and other potential investors, totaling \$40,000,000.00. Accepting subscriptions from interested investors would increase the total number of CRDG Members to 186. Attached hereto as Exhibit 4.3b are examples of written Indications of Interest which Gray Venture Partners, LLC and Drew J. Skogman Revocable Trust submitted to CRDG. The Indications of Interest are consistent in form with those examples.

The Indications of Interest are confidential under Iowa Code §22.7. Specifically, and without waiving other statutory bases for maintaining confidentiality, the Indications of Interest are confidential under

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 2: Ownership

Iowa Code § 22.7(3) as protected trade secrets, and under Iowa Code § 22.7(6) as reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose.

Item II, Subsection (D):

Describe briefly the terms of any voting trust in which any of the capital stock is held and the name, address, class of stock and number of shares of stock for all stock held in said voting trust.

Applicant Response to Item II, Subsection (D):

N/A

Item II, Subsection (E):

Describe briefly the terms of any proxy by which any of the capital stock is held, the holder of the proxy and the name, address, class of stock and number of shares of stock for all stock held by said proxy.

Applicant Response to Item II, Subsection (E):

N/A

Item II, Subsection (F):

State whether five percent or more of the applicant's assets, or five percent or more of any stockholders' stock, is encumbered by any long term debt. Explain fully, by stating names and addresses of parties holding security interests or promissory notes from the applicant and the stockholders, where any stock is pledged as security, and outline the terms of the agreements creating the security interest.

Applicant Response to Item II, Subsection (F):

As of the date of this application, CRDG has entered into a loan with Bankers Trust to acquire certain parcels of land, see Section 4, item I for details regarding security interest pertaining to this loan. Permanent financing for the project is expected to be provided through Credit Suisse USA LLC and Bankers Trust. See Exhibit 4.3d for terms and conditions included in the commitment letters, related to their required security interests.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 2: Ownership

Item II, Subsection (G):

Outline briefly the dividend rights, voting rights, liquidation rights, preemptive rights, conversion rights, and redemption provisions. If the rights of holders of such stock may be modified other than by vote a majority or more of the shares outstanding voting as a class, so state and explain briefly.

Applicant Response to Item II, Subsection (G):

Ownership; Voting: There are two (2) classes of Units; Class A Preferred and Class B Preferred Units. Members holding a majority of the Units of an affected class must consent before CRDG can create a superior class of Units. Also, provided that PPCR, LLC ("PPCR") holds more than 20% of the issued and outstanding Units of CRDG, CRDG cannot issue additional Units without PPCR's consent. Until March 1, 2016, approval of Members representing 80% of the outstanding Units is required for approval of matters submitted to the Members. After March 1, 2016, the approval of Members representing 75% of the outstanding Units will be required.

Distributions; Liquidation Rights: To the extent funds are available, CRDG will make an annual distribution to each Member equal to each Member's estimated state and federal tax liability or, if there are insufficient amounts available to distribute, equal to each Member's pro rata share of available funds, based on such Member's estimated tax liability as compared to the aggregate tax liability of all Members. Class A and Class B Preferred Members have the right to a \$0.50 per Unit annual preferred distribution (the "Preferred Return"), payable first to Class A Preferred Members and then Class B Preferred Members. The Preferred Return is cumulative. Class A and Class B Preferred Members are also entitled to a return of certain contributions to CRDG before CRDG makes any other distributions, other than annual tax distributions and the preferred distributions outlined above, with Class A Preferred Members having priority over Class B Preferred Members (the "Return of Capital"). The right to the Preferred Return and Return of Capital distribution accrues on January 1 after the third anniversary of the commencement of casino operations and continues, with respect to the Preferred Return, until payment of the Class A Preferred Member's and Class B Preferred Member's aggregate contributions for Class A Preferred Units and Class B Preferred Units. A Class A Preferred Member may receive its Return of Capital distribution prior to January 1 of the third anniversary of the commencement of casino operations under a special distribution which accrues, to the extent permitted by loan and licensing terms, upon the Iowa Racing and Gaming Commission's issuance of a gaming license and CRDG's closing and funding of senior debt financings. Accrued and unreturned Preferred Return and Return of Capital distributions will have priority during CRDG's liquidation, such distributions subject only to payment to creditors and reservations for contingent liabilities.

Transfer Restrictions/Option: Other than certain designated transfers, CRDG and PPCR have rights with respect to Units proposed for transfer. PPCR has the first right, for a period of 25 days (and CRDG, for a period of 5 days after PPCR's failure to exercise or waiver of the right), to purchase a transferring Member's Units at a pre-determined per Unit price before such Member has the right to transfer the

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 2: Ownership

Units to a third party. PPCR's right of first refusal accrues on the closing date of CRDG's 400,000 Class B Preferred Unit offering and terminates on the earlier of March 1, 2016 and a date on which PPCR holds 65% or more of CRDG's issued and outstanding Units. PPCR's right of first refusal is also not exercisable if the closing on the purchase would cause PPCR to hold 65% or more of CRDG's issued and outstanding Units. CRDG also has the right to purchase Units of Members in the event certain involuntary transfers (i.e. those made by operation of law) are triggered.

PPCR, subject to CRDG's rights described in the foregoing sentence, has the option, from March 1, 2016 through the earlier of May 1, 2022 and a date on which PPCR holds 65% or more of the outstanding Units, to purchase, each year, up to 5% of CRDG's Units from the other Members. The other Members can elect to participate in such option. If an insufficient number of Members elect to participate in the option, PPCR may acquire Units from the other Members on a pro rata basis. If a Member's ownership in CRDG would materially adversely affect CRDG's gaming licensure, CRDG can redeem or repurchase such Member's Units at a designated price.

Item II, Subsection (H):

If the applicant was organized as a corporation within the past five years, furnish the following information: the names of the promoters; the nature and amount of anything of value received or to be received by each promoter directly or indirectly from the applicant; and the nature and amount of any assets, services or other consideration received therefore or to be received by the applicant.

Applicant Response to Item II, Subsection (H):

CRDG was organized as a domestic limited liability company under chapter 489 of the Iowa Code on June 18, 2012. The promoters are Stephen C. Gray and Drew Skogman. In exchange for its development services to CRDG during CRDG's startup phase and to reimburse for out-of-pocket expenses, Gray Venture Partners, LLC received \$25,450 from CRDG in 2012 and \$14,550 in 2013. Upon the happening of both (A) the issuance by the Iowa Racing and Gaming Commission to CRDG's qualified sponsoring organization of a gaming license to conduct gambling games at the Facility, and (B) the closing and funding of CRDG's senior debt financing, the Company may pay bonuses and/or performance compensation to the project's original developers and promoters in an aggregate amount of Six Hundred Thousand Dollars (\$600,000.00), subject to the CRDG Board of Managers' approval and discretion.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 2: Ownership

Item II, Subsection (I):

List the names of all directors and officers of the entity and all persons chosen to become directors or officers. Indicate all positions and offices held by each person named during the past five years.

Applicant Response to Item II, Subsection (I):

CRDG's Board of Managers is composed of seven (7) individuals. The members are listed below, followed by the date on which each individual joined the board:

Stephen C. Gray- Chairman, August 2, 2012
Drew Skogman, August 2, 2012
John Smith, May 30, 2013
Barry Boyer, May 30, 2013
Brent Stevens, August 7, 2013
Natalie Schramm, August 7, 2013
Jonathan Swain, August 7, 2013

LCGA's Board of Directors is composed of five (5) individuals. The directors are listed below, followed by the date on which each individual joined the board:

Keith Rippy – President, September 28, 2012
Justin Shields – Vice President, September 28, 2012
Leah Rodenberg – Secretary/Treasurer, September 28, 2012
Linda Seger, September 28, 2012
Brent Oleson, September 28, 2012

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 2: Ownership

Item II, Subsection (J):

List all parent companies of the applicant showing the basis of control and as to each parent, the percentage of voting securities owned, or other basis of control.

Applicant Response to Item II, Subsection (J):

N/A

Item II, Subsection (K):

List names of partners and percentage of ownership.

Applicant Response to Item II, Subsection (K):

CRDG has 63 Members, each of whom owns one or more Units. The promoters, Stephen C. Gray and Drew Skogman, each indirectly own 4.6512% of CRDG's outstanding equity through entities under their control. Only one member, PPCR, LLC owns more than 5% of CRDG's outstanding equity. As of the submission date, PPCR, LLC owns 25.5814% of the outstanding Units of CRDG. Detailed ownership information has been provided to DCI. As of the submission date, CRDG has received 173 written Indications of Interest from Members and other potential investors, totaling \$40,000,000.00. Accepting subscriptions from interested investors would increase the total number of CRDG Members to 186. Please refer to Section 2, Item II, Subsection (C) on page 19 of this application more information.

Item III:

If any applicant for a license will lease the building or land of a gambling structure from another entity, the lessor shall be required to provide the same information required by this application including copies of all leases, agreements and contracts of any nature between the lessor entity and the applicant.

Applicant Response to Item III:

N/A

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 2: Ownership

Item IV:

State if the applicant, or its directors, officers, policy-making manager or principal stockholders have owned an interest in any firm, partnership, association or corporation previously licensed by the Commission, is now engaged in the business of operating a casino or pari-mutuel track in or outside of the State of Iowa or has previously owned an interest in a casino or pari-mutuel track in or outside of the state of Iowa. If yes, explain.

Applicant Response to Item IV:

Brent Stevens, Natalie Schramm, and Jonathan Swain are each members of CRDG's Board of Managers. Mr. Stevens, Ms. Schramm, and Mr. Swain have each been previously licensed by the Commission. Exhibit 2.4 illustrates Mr. Stevens, Ms. Schramm, and Mr. Swain's current and previous ownership and operations of casinos and pari-mutuel track facilities in and outside of Iowa.

Item V:

Non-profit applicant must submit verification of its status as a qualified sponsoring organization required by Iowa Code Section 99F.1.

Applicant Response to Item V:

LCGA has attached its Articles of Incorporation and amendments thereto as Exhibits 2.2(A)4 and 2.2(A)5. The Articles demonstrate that LCGA is a "nonprofit corporation organized under the laws of this state" thereby qualifying LCGA as a qualified sponsoring organization under Iowa Code §99F.1(20).

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item I:

Describe the arrangement with the qualified sponsoring organization. Include as an exhibit, any required agreements or assignments. NOTE: Effective July 1, 2004, Iowa Code Section 99F.5, subsection 1 was amended as follows: ["An operating agreement entered into on or after the effective date of this section of this Act between a qualified sponsoring organization and an operator shall provide for a minimum distribution by the qualified sponsoring organization for educational, civic, public, charitable, patriotic, or religious uses as defined in section 99B.7, subsection 3, paragraph "b", that averages at least three percent of the adjusted gross receipts for each license year."]

Applicant Response to Item I:

Linn County Gaming Association as qualified sponsoring organization will receive between three (3) to five (5) percent of "adjusted gross receipts" as defined in Iowa Code 99F.1(1) from casino operations. The term of the Operating Agreement is ten (10) years, with up to eight (8) options to extend the agreement for an additional five (5) years.

Linn County Gaming Association's Operating Agreement executed with CRDG is set forth in Exhibit 3.1.

Item II:

State the municipality of the gambling structure.

Applicant Response to Item II:

Cedar Rapids, Iowa.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item III:

Provide the legal description of the site and local address of the site. Include as an exhibit, a site plan. If the property will be held by anyone other than the applicant, give the names and addresses of the title holders to the real property as well as names and addresses of all persons holding mortgages or other security interests in the property.

Applicant Response to Item III:

The property is located at 101 1ST Street SW in Cedar Rapids, Iowa.

See Exhibit 3.3 for legal descriptions and site plan.

See Section 4, item I and Exhibit 4.3d for terms and conditions related to security interests in the land parcels above.

Item IV:

State whether the gambling structure and related facilities above have been determined to have adequate sewage treatment, water, electrical services and the basis for the determination.

Applicant Response to Item IV:

The location of the new casino allows for suitable access to sanitary sewer, water and electrical services. The project's civil engineer has consulted with the City's engineer for its findings and the electric utility company, Alliant Energy, has responded stating there is adequacy to support the project's loads.

Water/Fire Service

The proposed casino location is bordered by water main on all sides, with a 12" main to the north, 10" main to the east, 6" main to the south, and a 36" and 6" mains to the west. The casino will most likely need an 8" service which could be served from either the 12" main or the 10" main. This will meet the water and fire demands of the casino.

Sanitary Service

The casino has a two 8" sanitary lines onsite available for sanitary service. The estimated peak usage outflow of 0.25 cfs for the casino, based on a usage of 5,000 gpd/ac and a peak factor of 4. One 8" line has a full flow capacity of 0.9 cfs. Either of these lines will meet the sanitary demands of the casino.

Electric Service

Interstate Power and Light Company (IPL), an Alliant Energy Company, has confirmed necessary load capacity and service accessibility for our project and site.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item V:

State the number of miles from the nearest population center, and describe briefly the transportation facilities serving that population's center.

Applicant Response to Item V:

The proposed site is located at the center of Cedar Rapids at the intersection of 1st Avenue and 1st Street SW. Its location serves as an anchor for the revitalized Kingston Square area. Since most of the structures have been demolished in this area after the flood of 2008, the proposed casino ultimately is part of the plan to reshape Cedar Rapids' downtown. The current population within 25 miles of the proposed site is approximately 384,000.

The proposed site is on the west side of Cedar Rapids' downtown. It is within close proximity to 3,000 hotel rooms, the US Cellular Center, the McGrath Amphitheater, multiple restaurants, bars and more. To date, more than \$1 billion of reinvestment has taken place in downtown Cedar Rapids and the proposed casino is one part of what Cedar Rapids has to offer visitors.

Roadway System

Interstate 380 is the primary regional highway serving the downtown Cedar Rapids area, including the proposed casino site. Interstate 380 provides regional connections to Interstate 80, US Highway 30 and US Highway 20. Interstate 380 is located directly north and west of the proposed casino property (within a few hundred feet of the property).

US Highway 30 is an interstate facility that traverses the mid-section of the state of Iowa and circumvents the southern Cedar Rapids metro area. First Avenue (IA 922) is a five-lane arterial that runs through the entire cross section of the Cedar Rapids metro area. This arterial provides direct access to the proposed casino site and the rest of the downtown area. This arterial route has direct access to Interstate 380 at multiple downtown interchanges near the casino site and also provides direct access to US Highway 30 (as Williams Blvd) approximately four miles from the site.

Interstate 380 carries approximately 75,000 vehicles per day near the casino site (IA DOT Source). First Avenue (IA 922) serves approximately 20,000 vehicles per day adjacent to the casino site. This daily volume will likely increase as the downtown area continues to re-establish itself following the 2008 flood.

US Highway 30 carries approximately 30,000 to 35,000 vehicles per day near the Cedar Rapids area and the I-380 corridor.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Public Transportation

The Cedar Rapids metro area is served by both a fixed-route and specialized door-to-door public transit services that operate six (6) days per week (excludes Sundays). The fixed route system has three service routes that are adjacent to the casino site and are connected to the rest of the fixed route system via a downtown transfer center. The door-to-door (paratransit) service is available to qualified individuals who cannot ride the fixed route service.

Private Transportation

There are at least three privately owned taxi services listed that serve the Cedar Rapids area. There is also an airport shuttle service that links the Eastern Iowa Airport to the metro area.

Air Transportation

The Cedar Rapids metro area is served by the Eastern Iowa Airport, a commercial air center which serves as a regional hub for east central Iowa. The airport is approximately seven miles from the casino site and can be accessed conveniently from I-380. Five major air carriers serve the Eastern Iowa Airport including Delta, American (American Eagle), United, Frontier and Allegiant Air.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item VI:

Describe proposed site facilities, indicating maximum occupancies. Include as exhibits, architect's plans or renderings showing details, including floor plans, of any proposed construction.

Applicant Response to Item VI:

The 171,000 square foot Cedar Crossing Casino is proposed to be built as a flagship entertainment destination for the West side of the Cedar River in downtown Cedar Rapids. As a truly urban casino, this facility will be an experience like no other in this region of the state. This facility will become a cornerstone for the redevelopment of the historic Kingston Village neighborhood of Cedar Rapids. This section of the city desires to redefine itself as the entertainment district of the community. With the development of the casino, it will begin to support a new cultural life style.

The Kingston Village neighborhood has a very exciting history dating back to the mid 1800's. This neighborhood surrounding the site of the proposed Cedar Crossing Casino has historically been residential in scale. The first bridge that crossed the Cedar River and connected Kingston and Cedar Rapids was the 3rd Avenue bridge, a development that established 3rd Avenue as the Main Street Area for the Kingston Village. While most of the Kingston Village was residential, there are many interesting exceptions to that. Some examples from the 1880's include the Pickle Works factory which was an industrial scale pickling factory producing a variety of products from vinegar to pickles. The Furniture Factory located at the intersection of A Avenue and 2nd Street was another great example of industry within the Kingston Village community. In the 1890's, the 1st Avenue bridge completion provided a second connection to Cedar Rapids, and with it, the establishment of the Bottling Works Factory located at 1st Street between 2nd and 3rd Avenue.

During the 1900's is when this neighborhood really began to build with the final addition of the 2nd Avenue bridge. By this time the development of Kingston Village was becoming a cultural center for Cedar Rapids. The area was home to the Colonial Theater located at 108 3rd Avenue which was a venue for the most popular vaudeville act in the region and remained an active theater well into the era of motion pictures. The original building survives today.

The facility embraces the natural features and urban structures of the existing site context. The contemporary glazed porte cochere that defines the entrance and welcomes visitors to the casino is encompassed by stone and brick which comprise the remainder of the building. The gesture of using the glazing window system mimics the reflection of the water's surface on the Cedar River, a center piece of the downtown fabric. The native Anamosa Stone is the material of choice for many facilities in this region. The material language of the stone and brick is contextually pulled from the historic downtown fabric of the surrounding neighborhood. This material is used on such well known historic buildings as the Louis Sullivan bank which is in the heart of the Kingston Village. The unity of the brick

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

and stone along with the contemporary selection of glass allow the casino to embrace all facets of time. The porte cochere is not only the first thing individuals see when entering the casino, but it will be washed with light during the evening hours so as to create a beacon for the casino within the Kingston Village neighborhood.

Synthesizing historical and modern aspects, the Cedar Crossing Casino unites all aspects of the city.

Refer to Exhibit 3.6 for an occupancy table, as well as a series of graphic floor plan layouts and conceptual exterior renderings of the proposed casino facility.

Item VII:

Describe the types of public access to the site and parking facilities; provide details on access from perimeter local, state or federal roadways. Provide a street map of the area to include railroad crossings.

Applicant Response to Item VII:

The proposed site, which was strategically selected for the Cedar Crossing Casino, offers superior public access. The graphics on the following pages depict easy access from local routes off of Interstate 380, 1st Avenue and 1st Street SW.

Two distinct parking options are available to patrons at this facility:

Option one is located on the corner of 1st Avenue and 1st Street SW and is easily identifiable as the main entrance to the building by a signature design of the porte cochere. Valet and VIP services at this location will allow guests convenient access during inclement weather conditions. This portion of the site will have ground level parking (partially covered) under the casino facility with 229 parking spaces.

Option two for parking is the multi-tier parking structure located on the north side of 1st Avenue offering over 1,200 parking spaces. The parking structure will be connected to the Casino facility via a fully enclosed skywalk. This path way will provide guests with safe and convenient access between the parking structure and the casino.

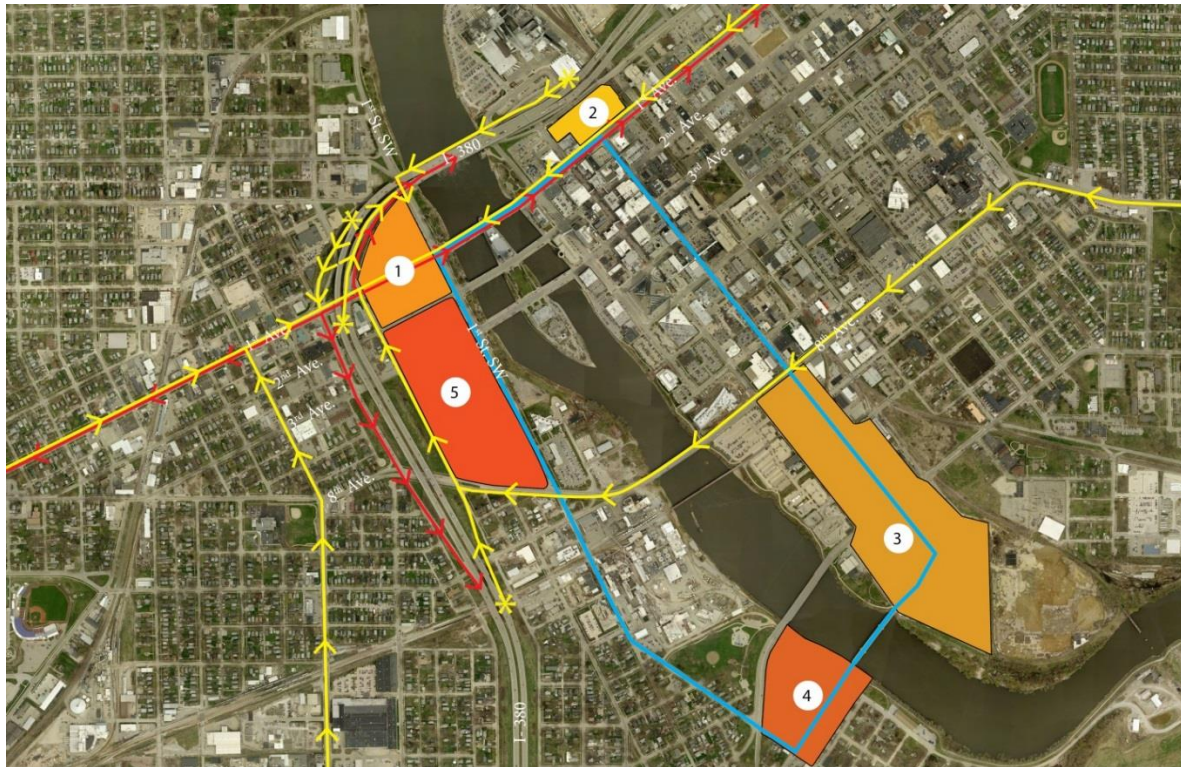
Refer to the site diagrams on the following page for additional information.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Refer to the site plan below for the vehicular traffic plan.



- 1. LINN COUNTY CASINO
- 2. DOUBLE TREE HOTEL / CONVENTION CENTER
- 3. NEWBO NEIGHBORHOOD
- 4. CZECH VILLAGE
- 5. KINGSTON VILLAGE
- INBOUND TRAFFIC
- OUTBOUND TRAFFIC
- DOWNTOWN LOOP

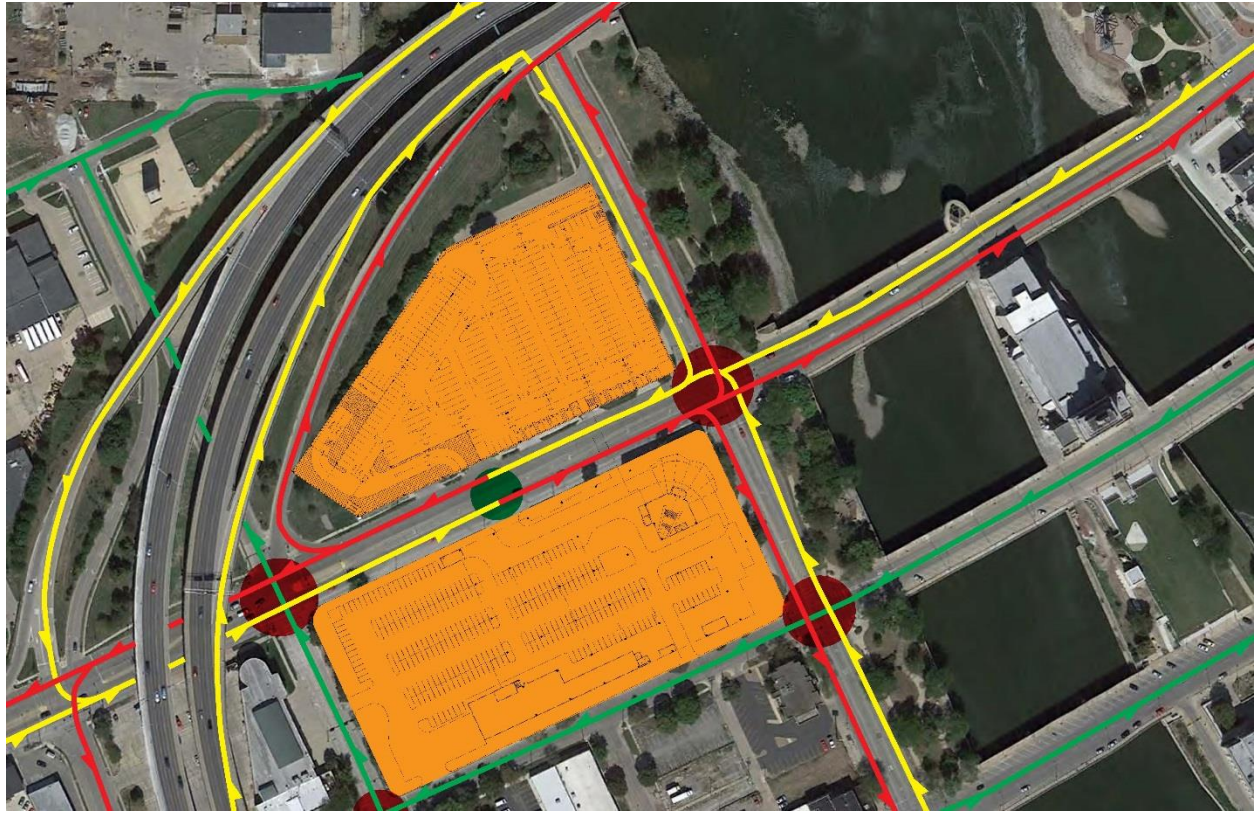


IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Refer to the site plan below for the vehicular traffic plan – enlarged site view.



-  EXISTING TRAFFIC LIGHTS
-  PROPOSED TRAFFIC LIGHTS
-  INBOUND TRAFFIC
-  OUTBOUND TRAFFIC
-  ONE-WAY TRAFFIC



IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item VIII:

Describe office space and parking for use by the Commission and the Division of Criminal Investigation. Provide a detailed floor plan of the office space.

Applicant Response to Item VIII:

CRDG, in accordance with Title 491, Section 5.4(2) of the Iowa Administrative Code, will provide furnished office space, including utilities, direct long distance access for voice and data lines, custodial services, necessary office equipment and, if applicable, work space, at the property for the exclusive use of the Commission employees and officials. CRDG will also make available appropriate designated parking places for Commission staff at the property.

The office space for the Commission and DCI will be located adjacent to each other in the back of house area of the facility on the second floor. This location directly above the staff entrance will provide easy access via an elevator and stairs from the dedicated parking stalls to the office area. The office location will facilitate quick access to the gaming floor as well as all other non-gaming amenities.

Refer to the floor plans on the following page for the office area location.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE

SUBMITTED AUGUST 30, 2013

BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility



IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item IX:

Describe the arrangements for contracting food and drink, entertainment, or other concessions, indicating the names and addresses of concessionaires and the terms of the concession contracts.

Applicant Response to Item IX:

There will be no contract arrangements for food, drink, entertainment or other concessions. All venues will be owned and operated by CRDG.

Item X:

Describe the gambling structure and gaming floor indicating maximum occupancy. Include as exhibits, architect's plans or renderings showing details, including floor plans showing the location of slot machines and table games. Also show the location of the cashier cages within the gaming floor.

Applicant Response to Item X:

This new facility will be designed to have something for everyone. The second floor of the facility will be the core entertainment zone of the building. This floor will house the casino gaming area, a steak house, deli, a buffet, and center bar. In addition, there will be a 400-seat meeting and banquet facility on the third floor. These entertainment gathering zones have been arranged in such a way as to create a vibrant experience for all visitors.

The 40,000 square foot Las Vegas-style casino gaming floor will include approximately 840 of the hottest slot machines, 30 of the most familiar table games, and a dedicated poker room. Each and every guest will be able to locate their favorite type of slot machine on the gaming floor. For table game players, we will offer the latest and most popular blackjack style games. For those that like a little more live-action, we will have three Craps tables and two Roulette areas.

The center bar area will be located in the middle of all of the gaming floor action. It will be a great central place for socializing. This bar will expand the gaming floor with added bar top slot machines with multiple offerings of video poker, slots and blackjack.

Maximum Occupancy of Casino Gaming Floor: 3,636 occupants

(per 2012 IBC, Table 1004.1.2, Assembly Gaming Floors = 11 gross sf)

Refer to Exhibit 3.6 for the overall floor plan of level 2 and an enlarged layout of the casino gaming floor plan layout.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item XI:

Describe the physical location, size and floor plan of the section reserved for the promotion and sale of arts, crafts and gifts native to Iowa.

Applicant Response to Item XI:

On the second floor of the casino, a dedicated gift shop will be a central architectural feature in the three story atrium. This gift shop will be on the main circulation path in and out of the gaming floor. This location will provide a variety of retail options for visiting guests and will feature a variety of arts and crafts by artists native to Iowa.

Refer to the floor plans on the following page for the gift shop location.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE

SUBMITTED AUGUST 30, 2013

BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility



IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item XII:

State the total estimated cost of construction of the gambling structure and related facilities proposed by this application; please distinguish between known fixed costs and projections and in doing so, separately identify:

- A. Facility design expense;**
- B. Land acquisition costs;**
- C. Site preparation costs;**
- D. Facility construction cost;**
- E. Equipment acquisition costs; (specifically detailing cost of gaming equipment)**
- F. Organization, administrative and legal expenses.**

Applicant Response to Item XII:

Estimated Cost of Construction of gambling structure and related facilities:

Facility Design	3,507,795
Land Acquisition Costs	5,776,887
Site Preparation Costs	1,607,925
Facility Construction Costs	56,942,943
Equipment Costs:	
Gaming	17,107,841
Other	16,046,166
Organization, administrative, and legal expenses	37,953,087
Total Casino Project Costs	138,942,644
City constructed Parking Garage Costs	25,325,722
Total Project Costs	164,268,366

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item XIII:

Set forth the construction schedule you propose for completion of your gambling structure and related facilities; include therein an estimated date of project completion.

Applicant Response to Item XIII:

The following summary represents the proposed construction schedule for completion of our gaming structure. The actual start date is subject to change based on work required by the City of Cedar Rapids and the area public/private utility companies; however, the expected timeline represents an accurate depiction for start dates and durations.

Task Name	Duration	Start	Finish
Site Design & Approval	235 days	07/08/13	05/30/14
Topographic & Boundary Survey	10 days	07/08/13	07/19/13
Traffic Study	45 days	07/08/13	09/06/13
Civil Design/Site Plan - Preparation & Approval	75 days	09/02/13	12/13/13
Vacations & Utility Relocation Documents/Approval	100 days	09/02/13	01/17/14
Utility Removal & Relocation	30 days	04/21/14	05/30/14
Design	290 days	06/24/13	08/01/14
Massing & Conceptual Design	11 days	06/24/13	07/08/13
Preliminary Schematic Design	28 days	07/09/13	08/15/13
Prepare Project/Construction Budget	28 days	07/09/13	08/15/13
Schematic Design	30 days	09/02/13	10/11/13
Geotechnical Analysis	30 days	09/02/13	10/11/13
Structural Design Package	60 days	10/14/13	01/03/14
Core & Shell Design Package including MEP	90 days	10/14/13	02/14/14
Interior Design Package	120 days	02/17/14	08/01/14
Hazardous Material Abatement	70 days	01/27/14	05/02/14
Asbestos & Demo Survey	20 days	01/27/14	02/21/14
Haz Material Abatement Specification	15 days	02/24/14	03/14/14
Bid & Award Haz Material Abatement	10 days	03/17/14	03/28/14
PreAbatement Meeting	0 days	04/04/14	04/04/14
IDNR Notification	10 days	04/07/14	04/18/14
Haz Material Abatement	10 days	04/21/14	05/02/14
Demolition	55 days	03/17/14	05/30/14
Demolition Documents	10 days	03/17/14	03/28/14

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Task Name	Duration	Start	Finish
Bid & Award Demolition Package	15 days	03/31/14	04/18/14
Demolition Permit	10 days	04/21/14	05/02/14
Demolition & Rough Grading	20 days	05/05/14	05/30/14
Construction	260 days	06/02/14	05/29/15
Deep Foundations	40 days	06/02/14	07/25/14
Pile Caps & Shallow Foundations	30 days	06/30/14	08/08/14
Structural Steel Erection	50 days	07/28/14	10/03/14
Slab On Metal Deck	30 days	09/15/14	10/24/14
Exterior Framing	45 days	10/06/14	12/05/14
Veneer & Glass	90 days	10/27/14	02/27/15
Roofing	25 days	11/10/14	12/12/14
Interior Framing/MEP Rough-In	45 days	10/27/14	12/26/14
Interior Finishes	110 days	12/15/14	05/15/15
Final Inspections/Systems Programming	20 days	05/04/15	05/29/15
FFE Installation	20 days	05/04/15	05/29/15
Certificate of Occupancy/Final Completion	0 days	05/29/15	05/29/15
Move-In & Operations	25 days	06/01/15	07/03/15
OSE Installation/Move-In	20 days	06/01/15	06/26/15
Staff Training	20 days	06/01/15	06/26/15
Operations Trial Run	5 days	06/29/15	07/03/15
Grand Opening	0 days	07/03/15	07/03/15

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

Item XIV. Identify and attach as exhibits, copies of contracts by and between applicant and the following construction personnel:

A. Architect or other design professional

It is currently anticipated that a partnership between OPN Architects, Inc., located in Cedar Rapids, Iowa, and Friedmutter Group, located in Las Vegas, Nevada, will lead the project design effort. Friedmutter will lead the design effort while providing casino design expertise. OPN would be the Architect of Record.

Friedmutter Group is an award winning, internationally recognized Architecture, Master Planning, and Interior Design Firm specializing specifically within the multi-use Hospitality/Casino/Entertainment design market. Founded in 1992 to exclusively provide design services to Gaming/Hospitality clients, Friedmutter Group is readily identifiable as a leader and innovator throughout the Industry. They are renowned for their high quality, iconic design solutions. The Firm has gained critical and comprehensive understanding gaming industry requirements including site selection and the fundamentals of gaming operations while successfully creating unique design solutions within new and existing markets of the gaming and hospitality industries throughout the world. The Firm has completed over 27 million square feet of projects across the United States, including more than 2.7 million square feet of casinos, and over 300 restaurants, bars, and lounges, and nearly 1 million square feet of ballroom, convention, and meeting space.

OPN is an award winning, nationally recognized Architecture, Interior Design, and Landscape Design firm. Founded in 1979, OPN provides design services to Adaptive Reuse, Arts & Culture, Civic, Corporate/Commercial, Higher Education/K-12 Education, Historic Restoration, Library, and Medical clients. OPN practices a holistic blend of Architecture, Planning, and Design. They have intentionally nurtured a diverse list of clients, providing each of them with exemplary service and innovative design solutions. OPN has completed countless projects utilizing a collaborative, research-driven approach predicated on their understanding of their client – who they are, where they are today, and where they want to go tomorrow. The recently completed DoubleTree by Hilton Hotel, Cedar Rapids Convention Center, and US Cellular Center complex is an OPN design.

Friedmutter Group, working collaboratively with OPN Architects, has provided the preliminary design and programming for the Cedar Crossing Casino proposal.

B. Project engineer

Selections for project engineers have not yet been made. Proposals are currently being evaluated for the imminent selection based on casino design experience and ability to comply with the project

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

construction schedule. Special consideration will be made for the possible involvement of local firms in order to utilize their insight and experience with local codes and regulations.

C. Construction Engineer

A selection for the construction engineer has not yet been made. Selection will coincide with the requirements of the project construction schedule. Special consideration will be made for the possible involvement of local companies in order to utilize their insight and experience within the local market.

D. Contractor(s), subcontractor(s) and builder(s), if ascertainable at the date of application

Ryan Companies US, Inc., located in Cedar Rapids, Iowa, has been selected to lead the design, construction management and construction process. Ryan Companies is a Design/Build company made up of ten regional offices throughout the United States. Services provided include: General Contractor, Construction Management, Development, Property Management, and professional Design Services. As a recognized leader within the commercial/retail, industrial, mission critical, and institutional market sectors, Ryan Companies construction developments exceed \$800M a year.

Ryan Companies understands the importance of utilizing qualified local contractors and suppliers. As the development and construction processes advance, they will be actively pre-qualifying contractors for their possible participation within the project team. This process will place special consideration on the location, financial strength, past schedule performance, small business registration, and safety record of each contractor/supplier.

The architectural/engineering design contract will be assigned to Ryan Companies for their management during the project development and construction processes.

As of the date of application, our Contract with Ryan is substantially complete and will be finalized pending lender requirements. The critical terms of the contract are as follows:

General Contractor/Design-Builder

The Ryan Companies US, Inc.
625 1st St SE # 460
Cedar Rapids, IA 52401

Form of Contract Owner/Ryan: AIA A141 "Standard Form of Agreement between Owner and Design-Builder".

Compensation – The Contract will be a Cost Plus with Guaranteed Maximum Price. Fee is to be a percentage of the cost of work.

Insurance Requirements – TBD as part of financing requirements. Under no circumstances shall they be less than State mandated minimums.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 3: Site & Facility

General Conditions and Staff – See Exhibit 3.14D

Late Delivery Penalty (Liquidated Damages) - \$12,500/day

Subcontractors – None established as of the date of application

E. Equipment Procurement

A selection for the equipment contractor has not yet been made. Selection will coincide with the requirements of the project construction and equipment procurement schedules. Special consideration will be made for local contractors/suppliers in an effort to utilize their insight and experience within the local market.

F. Surveillance Equipment Contractor

A selection for the surveillance equipment contractor has not yet been made. Selection will coincide with the requirements of the project construction and FF&E procurement schedules. Special consideration will be made for the possible utilization of local contractors for surveillance system installations.

Attach copies of performance bonds obtained in connection with the construction personnel. Indicate any “no strike, no lockout” clauses included in these contracts.

Contracts have not been finalized. No determination has been made as to whether the project will be bonded at the general contractor level. Ryan Companies US, Inc. has verified their ability to bond this project (see attached letter as Exhibit 3.14) should performance bonds be determined of value. It is expected that bonding at the subcontractor level may be required for critical elements of the project. The decision on this requirement will be based on the size of contract, nature of the work, impact on critical path schedule, and the specific firm selected for the work.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 4: Financing

Attach as exhibits, balance sheets and profit and loss statements for each of the three fiscal years immediately preceding the application, or for the period of organization if less than three years. If the applicant has not completed a full fiscal year since its organization or if it acquires or is to acquire the majority of its assets from a predecessor within the current fiscal year, the financial information shall be given for the current fiscal year. Balance sheets, profit and loss statements, and all other financial statements required herein shall be prepared, audited and certified by independent, certified public accountants in accordance with generally accepted accounting principles. Any report containing exceptions of a material nature will not be considered to be certified.

Applicant Response to Item:

Cedar Rapids Development Group, LLC was formed June 28, 2012. Attached as Exhibit 4a are audited financial statements for the year ended December 31, 2012. In addition, compiled financial statements are attached for YTD 2013, as Exhibit 4b.

Linn County Gaming Association, Inc. was formed May 1, 2012. Attached as Exhibit 4c are their financial statements for the year ended December 31, 2012. In addition, compiled financial statements for YTD 2013 are set forth in Exhibit 4d.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 4: Financing

Item I:

State all current loans by applicant and describe fully the name of the borrower, amount of the loan, collateral, and terms. State the nature, amount and circumstances of any loan defaults or loan covenant violations by the applicant or any of its subsidiaries or parent company during the past three years.

Applicant Response to Item I:

CRDG entered into a loan with Bankers Trust to acquire certain parcels of land on August 2, 2013.

Borrower: Cedar Rapids Development Group, LLC

Loan amount: \$945,000

Rate: 4.25% fixed

Maturity: 10/31/14

Collateral:

- Mortgage and Assignment of Rents on (6) land parcels referred to as Hahn and Task properties.
- Commercial Security Agreement and UCC Financing Statement.
- Assignment of Deposit Account (current balance of account: approximately \$315,000).
- Covenants: Maintain primary depository and treasury management accounts at Bankers Trust.
- Borrower to make arrangements to pay down loan to 50% of new appraised amount upon the earlier of i) 30 days after the date the IRGC declines to grant a Casino license or ii) 9/30/14.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 4: Financing

Item II:

Briefly describe any pending legal proceedings to which the applicant or any of its subsidiaries or Parent Corporation is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted and the principal parties thereto, and a brief description of the facts related to the legal proceeding.

Applicant Response to Item II:

There are no pending legal proceedings to which the applicant or any of its subsidiaries or Parent Corporation is a party to.

Item III:

State the source or sources of funds for the acquisition of the gambling structure and related facilities proposed by this application; please identify and document:

Item III, Section a:

Each source of equity contribution and the amount of such contribution

Applicant Response to Item III, Section a:

It is anticipated that CRDG will raise a total of approximately \$47,400,000 in equity contributions for the acquisition of the gambling structure and related facilities proposed by this application. The total equity contribution is comprised of capital that CRDG's Members have already contributed, and written Indications of Interest CRDG has received from existing Members and other potential investors. CRDG's Members have contributed \$7,400,000 in equity contributions to date. CRDG will raise the remaining \$40,000,000.00 in equity through additional contributions from existing Members, and contributions from new investors. The present commitment for this additional equity source is discussed below.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 4: Financing

Item III, Section b:

The present commitment, if any, received for each funding source

Applicant Response to Item III, Section b:

As of the submission date, CRDG's Members have contributed capital in exchange for Units totaling \$7,400,000. In addition, CRDG has received 173 written Indications of Interest from Members and other potential investors. The written Indications of Interest total \$40,000,000.00. Accepting subscriptions from interested investors would increase the total number of CRDG Members to 186. Attached hereto as Exhibit 4.3b are examples of written Indications of Interest which Gray Venture Partners, LLC and Drew J. Skogman Revocable Trust submitted to CRDG. The Indications of Interest are consistent in form with those examples.

The Indications of Interest are confidential under Iowa Code §22.7. Specifically, and without waiving other statutory bases for maintaining confidentiality, the Indications of Interest are confidential under Iowa Code § 22.7(3) as protected trade secrets, and under Iowa Code § 22.7(6) as reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose.

Item III, Section c:

Each source of debt contribution and the amount of such contribution anticipated or actual terms and conditions of such loans. Include any short term construction or start up financing that will be replaced by longer term financing

Applicant Response to Item III, Section c:

CDRG entered into a loan in the amount of \$945,000 with Bankers Trust to acquire certain parcels of land on August 2, 2013. This loan will be replaced with permanent financing upon granting of the license. See Section V Item 1 for summary of terms and conditions.

Proposed financing for the project is as follows:

- \$76 million senior secured term loan provided by Credit Suisse Securities (USA) LLC
- \$20 million equipment loan provided by Bankers Trust
- \$10 million undrawn revolver provided by Bankers Trust

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 4: Financing

For terms and conditions related to the above debt contributions, see commitment letters included as Exhibit 4.3d. The commitment letters are confidential under Iowa Code §22.7. Specifically, and without waiving other statutory bases for maintaining confidentiality, the commitment letters are confidential under Iowa Code § 22.7(3) as protected trade secrets, and under Iowa Code § 22.7(6) as reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose. In addition to the project financing above, the City of Cedar Rapids will be constructing the parking facility pursuant to a Minimum Assessment Agreement entered into with the casino. See Exhibit 4.3c – City Development Agreement.

Item III, Section d:

The present commitment, if any, received for such financing; and provide a concise and audited financial statement reflecting applicant's current assets, including investments in affiliated companies, loans and advances receivable, fixed assets, and current liabilities, including loans and advances payable, long-term debt and shareholders' equity.

Applicant Response to item III, Section d:

Commitment letters from Credit Suisse Securities (USA) LLC and Bankers Trust are included as Exhibit 4.3d. The commitment letters are confidential under Iowa Code §22.7. Specifically, and without waiving other statutory bases for maintaining confidentiality, the commitment letters are confidential under Iowa Code § 22.7(3) as protected trade secrets, and under Iowa Code § 22.7(6) as reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose.

Audited financial statements are provided in Exhibit 4a.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 5: Gaming Operations

Item I:

Provide your proposed schedule for days and hours of operation.

Applicant Response to Item I:

The casino will be open 365 days a year, 24 hours a day, 7 days a week in order to maximize revenue-share for stakeholders, including the City of Cedar Rapids, Linn County, Linn County Gaming Association and the State of Iowa.

Item II:

Indicate the types of gambling games to be operated.

Applicant Response to Item II:

The types of gambling games to be operated include slot machines, video poker, and table games including but not limited to Blackjack, Craps, Roulette and Poker. All gambling games will be approved pursuant to Title 491, Section 11.5 of the Iowa Administrative Code.

Item III:

List the proposed officers and management personnel responsible for operation of the facility and submit brief resume(s) on person(s) not currently licensed by the Commission.

Applicant Response to Item III:

The proposed officers and management personnel responsible for the operation of the facility will be JNB Gaming, LLC, which is led by Jonathan Swain, Natalie Schramm and Brent Stevens. Brief resumes are included as Exhibit 5.3 for Stephen C. Gray, Drew Skogman, Barry Boyer and John Smith.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 5: Gaming Operations

Item IV:

Provide financial projections reflecting the first five years of operation including projected gaming revenue, gaming taxes paid, wage and benefit payments to the license holder and community organizations, the amount of capital expenditures and debt service.

Applicant Response to Item IV:

Financial projections are provided as Exhibit 5.4. The projections are confidential under Iowa Code §22.7. Specifically, and without waiving other statutory bases for maintaining confidentiality, the projections are confidential under Iowa Code § 22.7(3) as protected trade secrets, and under Iowa Code § 22.7(6) as reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose.

Item V:

Provide proof that applicant is able to obtain a bond as required by Iowa Code Section 99F.8.

Applicant Response to Item V:

Attached as Exhibit 5.5.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 6: Economic, Demographic and Miscellaneous Information

Item I:

Indicate the opposition or support from area residents and the effect on the economic outlook for the proposed project.

Applicant Response to Item I:

The Cedar Crossing Casino project found broad-based community support when volunteers from the "Vote Yes Linn County" group began knocking on doors on December 2012. As a result, more than 16,000 supporters signed the petition to place the Casino Referendum on the ballot during a special election on March 5, 2013. The Linn County Gaming Referendum had heavy voter turn-out (39%) and won with 61.23% of the voters (60,491 voters) supporting casino gaming in Linn County.

As set forth in Exhibit 1.5, you'll find overwhelming community support for the project including letters from residents, businesses and attractions as well as the Official Results Summary from the March 5, 2013 Gambling Special Election.

The economic impact will be positive. The casino development will create 470 jobs and an additional 125 construction jobs. For complete economic impact study, please see TMG Study, August, 2013 set forth as Exhibit 1.3a.

Item II:

Indicate the potential number of people who will be employed and indicate how many are projected to be Iowa residents. (Iowa Code Section 99F.7, subsection 6a).

Applicant Response to Item II:

The Cedar Crossing Casino is forecast to create 343 direct jobs on site and approximately 127 additional indirect jobs in Iowa. All of the jobs created at the Cedar Crossing Casino will pay a living wage salary. We expect all of the team members will reside in Iowa.

In addition, 125 short-term construction jobs can be anticipated during the construction phase of the Cedar Crossing Casino.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 6: Economic, Demographic and Miscellaneous Information

Item III:

State in detail what effect the competition from other casinos will have on the availability of casino personnel. Describe training programs for new employees.

Applicant Response to Item III:

Impact from other casinos regarding personnel will not be significant.

CRDG will hire and train all gaming and non-gaming personnel. Training begins after the team member receives the Iowa Racing and Gaming Commission's appropriate grade gaming license for their role. We will seek outgoing, positive team members who are able to provide friendly customer service and will come from a wide variety of background and experience. The majority of the positions do not require casino experience.

During orientation, team members will receive comprehensive information based in CRDG company policy and culture including: responsible gaming education, customer service, property knowledge, personal conduct, team member benefits, internal communication, safety training, casino brand and values, and open-door policy.

Specialized training in accordance with regulatory requirements and as needed for specific tasks within each department or work area includes: standard operating procedures, food handling and safety training, responsible beverage service certification, crisis communication training, internal controls and compliance.

In an effort to maintain an environment of exceptional customer service and professional growth, the casino will post updated information daily in designated areas back of house, e-mail it to users on internal email, and supervisors will review daily information during pre-shift huddles with front-line team members. This communication structure serves as a method to update team members regarding events and customer service, Human Resource announcements, upcoming travel groups, responsible gaming education and when necessary property information, safety or security issues.

All costs associated with required certification, certification updates, training which are required for team members to serve in their designated role will be paid for by CRDG.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 6: Economic, Demographic and Miscellaneous Information

Item IV:

Indicate the wage scale for each job class of employee on the gambling structure and related facilities. Describe how this pay scale will comply with the requirement that pay shall be 25% above federal minimum wage requirements. (Iowa Code Section 99F.7, subsection 7)

Applicant Response to Item IV:

As a world-class entertainment company, the Cedar Crossing Casino will be a community center and will provide sought after careers all based in customer service. Our team has a starring role in our success, and our culture encourages hard work and wants team members to have a great time while working here. We recognize the value of our team members, so their compensation package is robust. In addition to the traditional competitive wage and benefits package, our team will enjoy company sponsored team events, team member discounts, and incentives. We will recognize team members who go above and beyond by exceeding customer service standards, volunteerism within our community, addressing safety concerns while at work and more.

Attached on Exhibit 6.4 illustrates the anticipated wage scales for hourly and salaried employees. Each position will offer a starting wage that is, at a minimum, 25% greater than the current federal minimum wage for hourly tipped and non-tipped employees. Currently, 25% above the federal minimum wage equates to \$5.44/hour for hourly tipped employees and \$9.06/hour for non-tipped hourly employees.

Item V:

Describe procurement policies that emphasize the utilization of Iowa resources, goods and services in the operation of the gambling structure. (Iowa Code Section 99F.7, subsection 5)

Applicant Response to Item V:

The investors in this project, largely local investors, seek to provide the greatest economic impact possible throughout the region. The development plan includes hiring local contractors and sourcing materials locally to help keep the project on time and the local economy churning.

CRDG's procurement policy will encourage use of local and Iowa vendors. The policy states that three competitive bids are sought for operating and capital purchases. The gift shop will showcase some of Iowa's best products including favorite specialties from throughout the region, fashion accessories and casino merchandise.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 6: Economic, Demographic and Miscellaneous Information

Item VI:

Show evidence describing your efforts to cooperate with the Iowa Department of Economic Development to promote tourism throughout Iowa. Describe specific plans and resources to be devoted to such promotion. (Iowa Code Section 99F.6, subsection 5).

Applicant Response to Item VI:

CRDG seeks to attract more visitors to the State by partnering with the Iowa Department of Economic Development through existing programs they offer. We also note that by creating meaningful partnerships with Cedar Rapids Area Convention and Visitors Bureau and attractions in downtown Cedar Rapids, the casino will help Cedar Rapids capture more regional and national convention business for Iowa.

The Iowa Department of Economic Development surveys visitors to each of its 19 Welcome Centers across the state. During 2011, Welcome Centers served over 450,000 visitors and more than 170,000 travel parties. They recorded a completed survey from every 46th travel party. Adults only travel parties accounted for 67% of travelers. The average travel party size was 2.4, and 60% of the travel planners were female. Of those completing the survey, more than 35% answered that they extended their stay in Iowa based on information they received at the Welcome Center. Casino gaming was cited as the ninth most popular area of interest for these visitors which amounted to more than those interested in Festivals and Events and both Spectator and Participatory Sports.¹

CRDG will participate in Welcome Center staff training and will place casino materials in each Welcome center. In addition, CRDG will advertise on traveliowa.com; list in their travel guide, and when appropriate, post "Travel Deals" to entice visitors to extend their stay in Iowa. In addition, CRDG will seek additional opportunities to participate in IDED's cooperative advertising, the annual Iowa Tourism Conference, and travel shows.

CRDG will also collaborate with CRACVB to bolster their marketing mix and financially support their efforts to attract more regional and national convention business to Cedar Rapids. The casino will invest in promoting Cedar Rapids as a destination for conventions and group travel.

¹Iowa Welcome Center Survey Report 2011, Iowa Economic Development Authority, Tourism Office: Exhibit 6.6

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 6: Economic, Demographic and Miscellaneous Information

Item VII:

Describe resources that will be devoted to the recognition of problem gambling and efforts to coordinate these activities with the Iowa Department of Health, Gambling Treatment Program. (Iowa Code Section 99D.7, subsection 22)

Applicant Response to item VII:

CRDG will work with Substance Abuse Service Center, the licensed gambling treatment program provider in Linn County selected by the Iowa Department of Public Health. SASC has been a licensed provider in casino gaming markets for more than 20 years. CRDG's liaison to SASC will be Deb Prier, treatment supervisor at SASC in Cedar Rapids. CRDG will set high standards for responsible gaming education as it relates to team members. CRDG will enlist leadership from Human Resources, Security, Marketing and Casino Operations Departments to set standards and to ensure ongoing compliance.

- The Responsible Gaming Team will collaborate with SASC to provide:
 - An introduction to Problem Gambling during new hire orientation, company-wide meetings, and departmental meetings.
 - 1-800-BETS-OFF collateral and posters in team member break room and in Human Resources.
 - Briefs or articles which highlight responsible gaming education will be included regularly in team member newsletters and updates.
 - On-site SASC visits throughout the year including during Responsible Gaming Education Week.
 - The Responsible Gaming Team will continue to seek new opportunities to collaborate with SASC.

CRDG recognizes the importance of promoting responsible gaming to consumers and will collaborate with SASC and promote the gamblers treatment line supported by the Iowa Department of Public Health (1-800-BETS-OFF):

- In all paid, electronic and print advertising
- At ATM locations on the casino property
- At the Casino Cage
- At the Players' Club
- On all in house marketing point of sale
- As part of the casino's self-barrment program

In addition, the Responsible Gaming Team will continue to seek new opportunities to promote gambling treatment information to players.

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 7: Public Safety/Security/Backgrounds Forms

Item I:

Describe the type of radio equipment to be used and its compatibility with Department of Public Safety equipment and other law enforcement agencies. Describe the type of radio equipment supplied to the DCI and the commission for communication with internal radio equipment used by all departments.

Applicant Response to Item I:

The radio equipment will be equivalent to the following: base station for dispatch used for communication, portable four channel H1750 portable hand held radios for communication. They will include a standard charger, high capacity battery, belt clip, ear piece and an antenna.

In working with the Director of the Joint Communications Agency, we learned the City of Cedar Rapids uses a P25 800 MHz countywide trunking radio system for public safety operations. The City would consider allowing outside law enforcement agencies to talk on the system for standard user fees. Outside agencies are responsible for purchasing their own compatible subscriber equipment for use on the system. The Cedar Rapids Police carry Harris Unity XG-100P portable radios.

DCI and IRGC on property will have 4-channel radios on the same frequency made available to them. This same type of radio will be used for effective communication among departments and with DCI and IRGC.

Item II:

State the availability of fire protection and adequacy of law enforcement and police protection, and describe the emergency preparedness plan.

Applicant Response to Item II:

Our project team met with department heads of the Emergency Service providers (Fire, Sheriff, Police, & EMS) for the proposed location on August 12, 2013. The overall design and operation of the facility was presented and discussed. None of the emergency service providers had any concerns with the intended purpose of the facility or providing adequate coverage with their current staff. In addition, all the providers are located within one mile of the proposed location.

Refer to following page for a graphic layout that identifies the location of all city services that are noted below in relation to the project site for the proposed facility. Additionally, a sample Emergency Plan is set forth as Exhibit 7.2.

CEDAR RAPIDS POLICE DEPARTMENT

IOWA RACING AND GAMING COMMISSION

APPLICATION TO ESTABLISH A GAMING STRUCTURE
SUBMITTED AUGUST 30, 2013
BY CEDAR RAPIDS DEVELOPMENT GROUP, LLC

SECTION 7: Public Safety/Security/Backgrounds Forms

Address: 505 1ST ST

Distance to Facility Site: .4 MILES

(The location of the proposed facility falls within the Cedar Rapids Police Department Central District for the city. This is one of three districts that the city is divided into by the department.)

LINN COUNTY SHERIFF'S OFFICE

Address: 53 3RD. AVE. BRIDGE

Distance to Facility Site: .1 MILES

CEDAR RAPIDS CENTRAL FIRE STATION

Address: 713 1ST AVE

Distance to Facility Site: .74 MILES

ST. LUKES HOSPITAL (Emergency Room Access)

Address: 1026 A AVE.

Distance to Facility Site: .95 MILES

CEDAR RAPIDS MERCY MEDICAL CENTER (Emergency Room Access)

Address: 701 10TH ST.

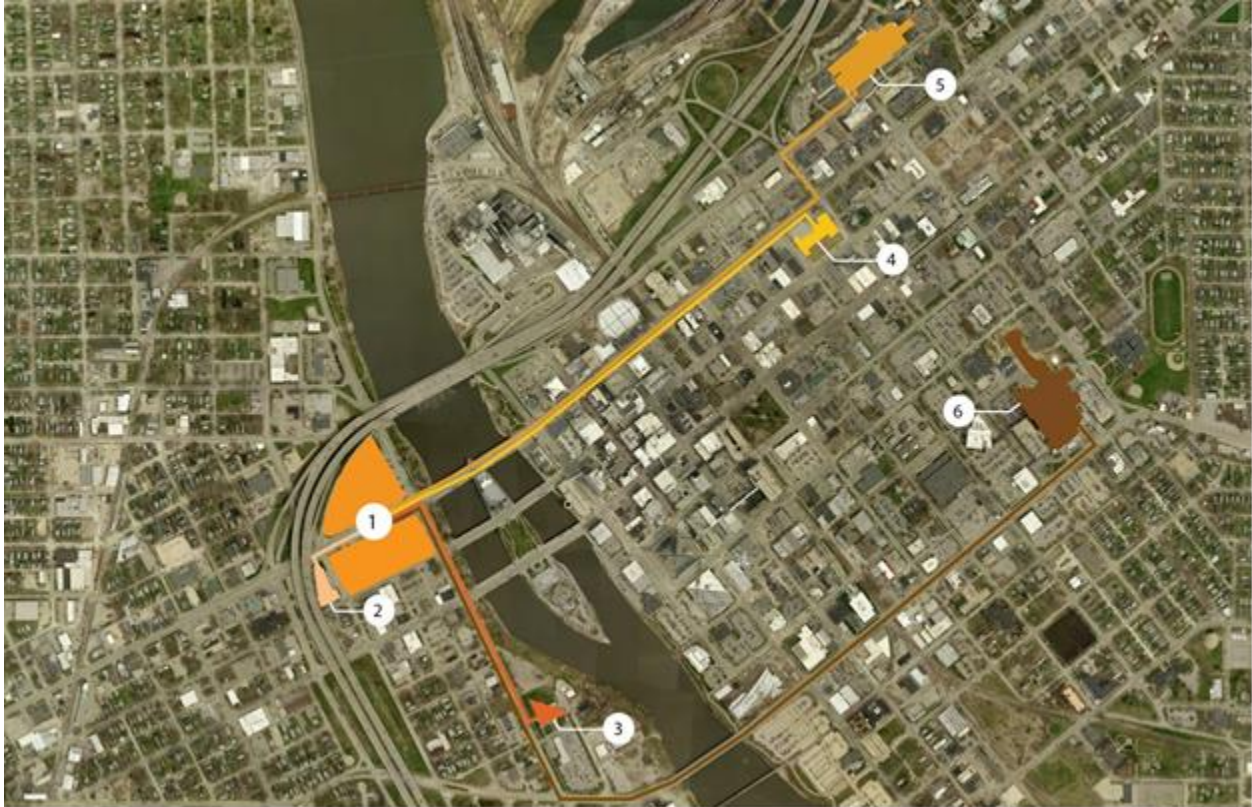
Distance to Facility Site: 1.38 MILES

Refer to the site plan below for the location of all city emergency services.

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SECTION 7: Public Safety/Security/Backgrounds Forms



1. **CEDAR CROSSING CASINO**
2. **LINN COUNTY SHERIFF'S STATION**
53 3RD AVE. BRIDGE - .1 MILES
3. **CEDAR RAPIDS POLICE DEPARTMENT**
505 1ST ST. - .4 MILES
4. **CEDAR RAPIDS CENTRAL FIRE STATION**
713 1ST AVE. - .74 MILES
5. **ST. LUKES HOSPITAL**
1026 A AVE. - .95 MILES
6. **CEDAR RAPIDS MERCY MEDICAL CENTER**
701 10TH ST. - 1.38 MILES

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A. Personnel

1. Are security personnel direct or contractual employees? (If they are contractual, give a complete description of company, including expertise in casino security.)

Security are direct team members of the property.

2. Complete table of organization of security force.

See Security Manual attached as Exhibit 7.2.

3. Complete job description of entire security force.

See Security Manual attached as Exhibit 7.2.

4. Has the security force been trained?

a. Describe the level of training.

Team members from the Security Department will be trained in accordance with Iowa Racing and Gaming Commission regulations, CRDG company policy and internal controls. Training modules will include:

- Responsible Gaming; identification of minors, exclusion, responsible beverage service
- IRGC Rules and Regulations
- Standard Operating Procedures
- Internal Controls
- Company policies, attendance, ethics, customer service

b. Submit gaming enforcement training program if applicable.

N/A

5. Is security force bonded?

No.

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B. Submit a complete security plan, including:

Attached as Exhibit 7.1 is a draft Security Manual. This manual will be updated for current design and operations as the Cedar Crossing Casino continues to be developed. A final Security Plan will be submitted to the Commission and DCI prior to opening of the facility.

1. Gambling structure and adjacent facilities

See Security Manual attached as Exhibit 7.2.

2. Cash room

The cash room will be located within the casino. Access will be limited by Internal Controls. The cash room will have dedicated surveillance and audible alarms in DCI and IRGC offices which sound when the cash room door is opened. This, combined with transparent surface for hard count and soft count complete camera coverage of walls, work surface, currency counters and door provide maximum protection for company and state assets. Surveillance will monitor and record all activity inside the cash room. The count process will be monitored by dedicated coverage.

3. Vault

The vault will hold cash and controlled gaming materials (cheques). It will be audited daily with documentation prepared by cage shift managers and reconciled by the accounting department. The accounting department will reconcile opening and closing inventory, records, documents and forms using procedures in accordance with Internal Controls.

4. Money transfer

All money transfers will be performed in accordance with Internal Controls. There will be a security escort when cash and/or cheques are moving between the vault, cage, table games pit, and count room.

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5. Gaming floor

Security will provide 24 hour coverage of at least one team member on the gaming floor at all times to ensure that guests and team members are provided security services. Security team members will provide guest services, control entrance/exit to the gaming floor, observe and report suspicious activity, theft, cheating as well as conduct operations in accordance with Standard Operating Procedures and Internal Controls.

6. Coordination between facility and local police/DCI

Security will report any violation and/or suspected activity as defined in Iowa Code 99D or 99F to DCI. The procedures defining when and how to contact local police will be covered in training and outlined in the company's emergency plan.

7. Video monitoring equipment

The casino floor, entrances, exits, perimeter and back of house will be monitored and recorded 24/7 using continuous digital surveillance. The surveillance room will have limited access as defined by Internal Controls.

8. Alarms

There will be audible alarm devices on the vault doors, count room, and at cage cashier positions. The alarms will be monitored by surveillance and also audible in DCI and IRGC offices.

9. Parking lot

Parking areas and entrances/exits will be covered by continuous digital surveillance and security patrol.

10. Emergency procedures

See Emergency Plan, Exhibit 7.2, pages 42-60.

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11. Expulsion rules

See Security Manual attached as Exhibit 7.2, pages 40-41.

12. Description of security

See Security Manual attached as Exhibit 7.2, page 33.

13. Policy and procedures for admittance of people to the various areas of the facility

In accordance with CRDG company policy, persons who appear to be under 30 will be asked to present a valid state ID prior to entering the casino floor. A security officer is stationed at each entrance to the gaming floor. Using an electronic ID reader, security will not allow people who appear to be under 30 into the gaming area without an ID. Visitors to restricted areas will be documented in dispatch logs as "visitors" or "vendors" and will have security escort in accordance with Internal Controls.

14. Traffic control

Traffic control will be monitored and controlled by the security department. The Director of Security will work with local law enforcement to address concerns or to request additional help when needed.

15. Surveillance equipment - type and placement on the gaming floor

Continuous digital surveillance will be used throughout the casino floor, and will be recorded and monitored 24 hours a day, 7 days a week in accordance with Chapter 23 of the IRGC requirements. The following areas will have coverage: gaming positions, gaming floor, vault, cage, cash registers, casino pit area, receiving, slot areas and all other areas as required by IRGC gaming requirements.

16. Chips, tokens

Chips, tokens and cash will be handled as cash in accordance with Internal Controls, including security escort, surveyed path and reconciliation of inventory.

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C. Submit fire safety rules/regulations and complete fire safety policy of the gambling structure to include:

Attached as Exhibit 7.2 is a draft Emergency Plan. This plan will be updated for current design and operations as the Cedar Crossing Casino continues to be developed. A final Emergency Plan will be submitted to the Commission and DCI prior to opening of the facilities.

1. Standard operating procedure safeguards to ensure fire safety in all areas of the facility.

All team members will be trained to recognize the warning signs of fire which include smoke, smell of smoke in the air, smell of gas, open containers that are marked toxic or flammable or reports by others that something is burning. Further training will also be conducted at their work station where they will note location of nearest safety equipment and its condition upon arrival for each shift including: nearest telephone, fire extinguisher, fire exits and nearest alarm pull.

For fire and safety procedures, please see Emergency Plan attached as Exhibit 7.2.

2. Electrical safety and devices

An annual inspection will be conducted to ensure main electrical switchgear equipment is in good working order. Security and maintenance personnel will conduct weekly tests of the fire pump to ensure its reliability and the results are logged in Security Dispatch.

3. Inspection

Security and maintenance will work with a local vendor to complete inspections and inspection schedules in accordance with State and Local ordinances. This includes but will not be limited to extinguishers, sprinklers and other fire suppression equipment, fire hoses, alarms, fire doors and safety exits. In between inspections, equipment will be replaced (in the case of faulty, damaged or discharged).

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4. Smoking

Smoking will be restricted to areas where there is proper ventilation and fire suppression equipment. In accordance with the Iowa Smoke-free Act, and Iowa Department of Health, fire rules and regulations will be strictly adhered to in non-smoking areas.

5. Casino

When it is determined that an evacuation of a casino area is required, Security Dispatch will use radio communication to move security officers to the location where evacuation is needed. Department heads will take direction from the Security Director or Lead Supervisor. Emergency drop will be made if it is deemed safe for team members, and every opportunity to secure chips, tokens and cash will be made by security personnel. See Emergency Plan attached as Exhibit 7.2.

6. Administrative offices

Administrative personnel will be trained to recognize signs of threat or fire. When alarms are sounded, administrative personnel will be responsible for safely exiting the building and meeting at a predetermined place to check in and verify their safety. See Emergency Plan attached as Exhibit 7.2.

7. Firefighting equipment

The casino will have a sprinkler system and extra fire suppression equipment in food service areas in compliance with jurisdictional regulations. Fire safety training will be provided for all security personnel. See Emergency Plan attached as Exhibit 7.1.

8. Coordination between facility and local fire department

The Security Dispatcher is responsible for contacting local police, fire and emergency services once an emergency, threat or fire has been identified. The casino's Director of Security is responsible for emergency preparedness planning with local law enforcement, fire departments and emergency services. See Emergency Plan attached as Exhibit 7.2.

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Item III:

Submit all required Division of Criminal Investigation Background Application forms and fingerprint cards for the applicant entity, officers, directors, agents and members/principal equity holders of the proposed qualified sponsoring organization and gambling structure operator. Background application forms are not required for entities and persons currently licensed by the Commission.

Applicant Response to Item III:

In accordance with Application instructions, all required Division of Criminal Investigation Background Application Forms and Fingerprint Cards are submitted to Division of Criminal Investigation under separate cover.

- Class A
 - Stephen C. Gray
 - Drew Skogman
- Class A, Non-profit
 - Keith Rippy
 - Justin Shields
 - Linda Seger
 - Leah Rodenberg
 - Brent Oleson
- Class D
 - Cedar Rapids Development Group, LLC
 - Linn County Gaming Association, Inc.
 - JNB Gaming, LLC
 - PPCR, LLC